

Introduced by Senator Dunn

January 8, 2004

An act to amend Sections 18060.5 and 18063 of the Health and Safety Code, relating to manufactured homes and mobilehomes.

LEGISLATIVE COUNSEL'S DIGEST

SB 1090, as introduced, Dunn. Manufactured homes and mobilehomes.

(1) The existing Mobilehomes—Manufactured Housing Act of 1980 prescribes conduct that is an unlawful business practice with respect to the sale of manufactured homes and mobilehomes, makes it unlawful for a salesperson to engage in specified conduct, and makes it a misdemeanor to engage in those practices or that conduct.

This bill would additionally make it an unlawful business practice to fail, at the time that the seller accepts a buyer's offer for a manufactured home or mobilehome that is not a new manufactured home or mobilehome, to execute a document or provision within an existing document signed by both the dealer and seller that discloses the exact amount of the buyer's offer and the specific amounts of any commission and each and every other payment being made to the dealer or any employee or agent of the dealer, and by the dealer, from sale proceeds to any other person. The bill would require the dealer to submit a copy of that disclosure into escrow and maintain, at the dealer's place of business, a copy of that disclosure for 3 years from the date of sale. The bill would make it unlawful for a salesperson who is also the manager or manager's agent of a mobilehome park to violate specified provisions of the Mobilehome Residency Law relating to the transfer of mobilehomes. Because violations of these provisions would create new crimes, the bill would create a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 18060.5 of the Health and Safety Code
2 is amended to read:

3 18060.5. With respect to business practices, it is unlawful to
4 do any of the following:

5 (a) Knowingly purchase, sell, or otherwise acquire or dispose
6 of a stolen manufactured home, mobilehome, or commercial
7 coach.

8 (b) Violate any of the terms or provisions of regulations
9 promulgated under the authority of Section 18015.

10 (c) Cause the state or any person to suffer any loss or damage
11 by reason of any fraud or deceit practiced on them or fraudulent
12 representations made to any person in the sale or purchase of a
13 manufactured home, mobilehome, or commercial coach or parts
14 or accessories thereof.

15 (d) Violate any of the terms and conditions of Chapter 3
16 (commencing with Section 1797) of Title 1.7 of Part 4 of Division
17 3 of the Civil Code.

18 (e) Move a manufactured home, mobilehome, or commercial
19 coach subject to registration pursuant to this part from a
20 mobilehome park or other site of installation to another location,
21 without obtaining from the legal owner, written consent for the
22 move as prescribed in Section 18099.5.

23 (f) Include as an added cost to the selling price of a
24 manufactured home, mobilehome, or commercial coach, an
25 amount for licensing or transfer of title of the manufactured home,
26 mobilehome, or commercial coach, which amount is not due to the
27 state unless, prior to the sale, the amount has been paid by a dealer
28 to the state in order to avoid penalties that would have accrued
29 because of late payment of those fees. However, a dealer may



1 collect from the second purchaser of a manufactured home,
2 mobilehome, or commercial coach, a prorated fee based upon the
3 number of months remaining in the registration year for that
4 manufactured home, mobilehome, or commercial coach, if the
5 manufactured home, mobilehome, or commercial coach was
6 previously sold by the dealer and the sale was subsequently
7 rescinded and all the fees that were paid, as required by this part
8 and Chapter 2 (commencing with Section 10751) of Division 2 of
9 the Revenue and Taxation Code, were returned to the first
10 purchaser of the manufactured home, mobilehome, or commercial
11 coach.

12 (g) Participate in the sale of a manufactured home,
13 mobilehome, or commercial coach reported to the Department of
14 Motor Vehicles under Section 5900 of the Vehicle Code or to the
15 department pursuant to this part without making the return and
16 payment of any sales tax due and required by Section 6451 of the
17 Revenue and Taxation Code.

18 (h) Fail to exercise reasonable supervision over the activities of
19 employees who negotiate or promote the sale of manufactured
20 homes, mobilehomes, or commercial coaches.

21 (i) Display for sale, offer for sale, or sell, a manufactured home,
22 mobilehome, or commercial coach, representing that
23 manufactured home, mobilehome, or commercial coach to be of
24 a year model different from the year model designated at the time
25 of manufacture or first assembly as a completed manufactured
26 home, mobilehome, or commercial coach.

27 (j) Directly or indirectly authorize or advise another licensee to
28 change the year model of a manufactured home, mobilehome, or
29 commercial coach in the inventory of the other licensee.

30 (k) *Fail, at the time that the seller accepts a buyer's offer for a*
31 *manufactured home or mobilehome that is not a new manufactured*
32 *home or mobilehome, to execute a document or provision within*
33 *an existing document signed by both the dealer and seller; that*
34 *discloses the exact amount of the buyer's offer and the specific*
35 *amounts of any commission and each and every other payment*
36 *being made to the dealer or any employee or agent of the dealer,*
37 *and by the dealer, from sale proceeds to any other person. The*
38 *dealer shall submit a copy of that disclosure into escrow and*
39 *maintain, at the dealer's place of business, a copy of that*
40 *disclosure for three years from the date of sale.*

1 SEC. 2. Section 18063 of the Health and Safety Code is
2 amended to read:

3 18063. It is unlawful for a salesperson to do any of the
4 following:

5 (a) At the time of employment, not deliver to his or her
6 employing dealer his or her salesperson's license or 90-day
7 certificate.

8 (b) Fail to report in writing to the department every change of
9 residence within five days of the change.

10 (c) Act or attempt to act as a salesperson while not employed
11 by a dealer. For purposes of this subdivision, "employment by a
12 dealer" means employment reported to the department pursuant
13 to subdivision (c) of Section 18060.

14 (d) To violate Section 798.71 or 798.74 of the Civil Code, or
15 both.

16 (e) *When the salesperson is a manager, or an agent of the owner*
17 *or manager, of a mobilehome park and serves as the salesperson*
18 *for a manufactured home or mobilehome to be installed or sold in*
19 *the park, to violate Section 798.72, 798.73, 798.73.5, or 798.83 of*
20 *the Civil Code.*

21 SEC. 3. No reimbursement is required by this act pursuant to
22 Section 6 of Article XIII B of the California Constitution because
23 the only costs that may be incurred by a local agency or school
24 district will be incurred because this act creates a new crime or
25 infraction, eliminates a crime or infraction, or changes the penalty
26 for a crime or infraction, within the meaning of Section 17556 of
27 the Government Code, or changes the definition of a crime within
28 the meaning of Section 6 of Article XIII B of the California
29 Constitution.

